



November 12, 2003

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DANA M. SMITH
Executive Officer

TO: Local Agency Formation Commission

FROM: Executive Officer
Policy Analyst

SUBJECT: Bi-monthly Update on the Costa Mesa/Newport Beach
Islands Annexations

At the May 14, 2003 hearing, your Commission directed staff to provide a bi-monthly update on the status of the Costa Mesa/Newport Beach Islands Annexations. The following report provides a status on the proposed annexations.

The City of Newport Beach – Potential Annexation of West Santa Ana Heights, Santa Ana Country Club, and Residential/Commercial Area South of Mesa Drive

The City of Newport Beach continues to express interest in annexing the western portion of Santa Ana Heights (SAH), Santa Ana Country Club, and the residential/commercial area south of Mesa Drive and participate in negotiations with the County regarding taking over all or portions of the redevelopment agency for east and west SAH. The City has indicated that they will be pre-zoning the annexation area in the near future. In addition to their ongoing discussions with the County, they are currently working with the City of Costa Mesa regarding the eventual application.

Annexation and Sphere of Influence Amendment Applications for West Santa Ana Heights

On September 16, 2002, LAFCO continued the City of Costa Mesa's annexation and the resident-initiated sphere of influence amendment applications for West Santa Ana Heights to allow the City of Newport Beach to express interest in annexing the area. LAFCO staff has continued to keep the applicants informed of Newport Beach's related activities; as well, the respective cities have engaged in regular communication about the area.

On October 22, 2003, LAFCO received a copy of a letter authored by Mayor Gary Monahan of the City of Costa Mesa and addressed to the City of Newport Beach expressing opposition to Newport Beach annexing the Santa Ana County Club and the area south of Mesa Drive (*see attached*). This letter resulted in the continuation of pre-zoning discussions by the City of Newport Beach Planning Commission while the cities continue their dialogue.

Staff will continue to provide bi-monthly updates on the area and expect to bring the application(s) for these areas back to the Commission in early/mid-year of 2004.

STAFF RECOMMENDATIONS

Staff recommends that the Commission:

1. Receive and file the Bi-monthly Update on the Costa Mesa/Newport Beach Islands Annexations.

Respectfully,

DANA M. SMITH

CAROLYN L. THOMAS

Attachment: Letter from Mayor Gary Monahan